



General Assembly

February Session, 2014

Raised Bill No. 448

LCO No. 2399



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING RESULTS-BASED ACCOUNTABILITY FOR CERTAIN TAX CREDITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2014*) (a) Each state agency that
2 administers a tax credit offered under any provision of the general
3 statutes, other than under section 12-704c or 12-704d of the general
4 statutes, by taking applications for a tax credit and awarding a voucher
5 for such tax credit, reserving such tax credit, issuing a certification
6 letter for such tax credit or taking any action that allows an entity to
7 claim such tax credit, shall implement a results-based analysis of such
8 tax credit.
- 9 (b) Not later than January 1, 2015, for each tax credit administered
10 by a state agency, the state agency shall develop a baseline graph for
11 measuring such tax credit's impact. The state agency shall:
- 12 (1) Identify the group the tax credit is intended to serve;
- 13 (2) Describe the condition the group is experiencing that the credit is

14 intended to address;

15 (3) Identify a statistical indicator or measure that will demonstrate
16 whether the condition changes over time; and

17 (4) (A) For new tax credits, prepare a graph showing how the
18 indicator has changed in the past and projecting how it is expected to
19 change in the next five years, and (B) for existing tax credits, prepare a
20 graph showing how the indicator has changed in the past and
21 projecting how it is expected to change in the next five years without
22 the tax credit.

23 (c) Each baseline graph developed pursuant to subsection (b) of this
24 section shall be submitted not later than January 1, 2015, to the joint
25 standing committee of the General Assembly having cognizance of
26 matters relating to finance.

27 (d) Each state agency administering a tax credit shall continue to
28 update the baseline graph by showing actual changes in the statistical
29 indicator during each twelve-month period. Not later than January 1,
30 2016, and annually thereafter, each such state agency shall submit to
31 the joint standing committee of the General Assembly having
32 cognizance of matters relating to finance, revenue and bonding, in
33 accordance with the provisions of section 11-4a of the general statutes,
34 an updated graph for each tax credit, an explanation of how the
35 indicator changed during the period when the tax credit was in effect,
36 a comparison to the original change projected in the most recently
37 submitted graph and an explanation of how the tax credit affected the
38 group or condition it was intended to address.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	New section

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Statement of Purpose:

To institute a results-based analysis of tax credits.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]